

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Fidel DATE TYPED 2/20/05 HB _____

SHORT TITLE Gross Receipts Distribution for Hospitals SB 604

ANALYST Taylor

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	NFI	Similar	Recurring	Grant County
	NFI	Similar	Recurring	City of Grants

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
Taxation and Revenue Department (TRD)

SUMMARY

Senate Bill 604 strikes provisions in current law that redirected certain local option taxes from Grant County to the largest city in the county-Grants. The redirected revenue include that attributable to:

- The second one-eighth percent local option increment;
- The special county hospital gross receipts tax;
- The local hospital gross receipts tax; and
- The special county hospital gasoline tax.

The bill also strikes language authorizing the City of Grants to use local hospital gross receipts tax and special county hospital gasoline tax revenue for the maintaining and operating a hospital. This revenue would now be 0. used by the county for the purpose of operating and maintaining a hospital.

The bill has an effective date of July 1, 2005.

FISCAL IMPLICATIONS

TRD reports that bill would have no fiscal impact. This is because the bill passed in 2003, which changed the distribution from the county to the city, included a provision preventing the redistri-

bution if the county had committed the revenue for debt. The department reports that since the county, in fact, did have such obligations, no redistribution took place, and these revenues are still distributed to Grant county.

ADMINISTRATIVE IMPLICATIONS

TRD reports that the bill would have no significant administrative implications.

BT/yr